

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NO. WRU-03-10-156
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ORDER GRANTING WAIVER

(Issued March 14, 2003)

On March 5, 2003, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) a request for waiver of 199 IAC 20.14(4)"b," the electric flexible rate contract reporting requirements, with respect to electric contracts entered into pursuant to the "Order Approving Settlement, Granting Waivers, and Requiring Additional Information" (APP Order) issued June 27, 1997, in Docket No. APP-96-1 (RPU-96-8). Paragraph 8 of the waiver request states that it has been reviewed by the Consumer Advocate Division of the Department of Justice (Consumer Advocate) and that Consumer Advocate has no objection to the waiver.

The APP Order permitted MidAmerican to use part of an agreed-upon electric rate reduction to negotiate individual contract prices for certain classes of customers. These contracts are flexible rate contracts under the Board's rules and the flexible rate contract reporting requirements contained in subrule 20.14(4)"b" apply to those contracts. MidAmerican is required to file a semi-annual report on flexible rates that includes certain data regarding the contracts, including the amount of electricity sold

by month, the amount of electricity sold to each customer by month, the dollar value of the discount by month, and the dollar value of sales to each customer by month. There are 3,308 such contracts, the majority of which are for terms of five years or less.

MidAmerican asks for a waiver of the reporting requirements in paragraph 20.14(4)"b" for any contracts entered into as a result of the APP Order. MidAmerican states that it takes over 500 person-hours to complete each semi-annual report and that the information contained in the reports has been contained in a number of previous reports that reflected the impact of the discounts. In addition, MidAmerican notes that its revenue requirement cannot change until at least January 1, 2006, as a result of a settlement approved in Docket Nos. RPU-01-3 and RPU-01-5. Because MidAmerican's revenue requirement cannot change, the discounts will not affect customers as a whole. Finally, MidAmerican states that the APP contract program is almost over because the vast majority of contracts are for a term of no more than five years and MidAmerican does not intend to renew them. To the extent the contracts have "evergreen" provisions, MidAmerican intends to exercise its rights to terminate at the earliest possible date.

MidAmerican represents that it will maintain the information required to make the calculations required by 20.14(4)"b" as long as a contract, in whole or in part, may impact MidAmerican's electric revenue requirement in a general rate case. This information will be made available upon request to the Board, Consumer Advocate,

and any person complying with the Board's non-disclosure requirements with respect to confidential information.

The Board will grant the waiver. The information on these contracts is known to the Board and further reports, assuming no contracts are extended, serve no purpose, particularly since the information will be maintained and available to any person if it impacts MidAmerican's revenue requirement in a general rate case. Continuing the requirement would cause undue hardship in terms of time and costs and would not afford greater protection to ratepayers.

IT IS THEREFORE ORDERED:

The request for waiver filed by MidAmerican Energy Company on March 5, 2003, is granted to the extent discussed in this order.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 14th day of March, 2003.